

# BOARD OF DIRECTORS LEGISLATIVE COMMITTEE MEETING

### **COMMITTEE MEMBERS**

BRAD WAGENKNECHT –
CHAIRPERSON
CHRIS DALY
ERIN GARNER
LIZ KNISS
JOHN SILVA

PAMELA TORLIATT-VICE CHAIRPERSON
DAN DUNNIGAN
SCOTT HAGGERTY
MARK ROSS

WEDNESDAY FEBRUARY 23, 2005 9:30 A.M.

FOURTH FLOOR CONFERENCE ROOM DISTRICT OFFICES

### **AGENDA**

- 1. CALL TO ORDER ROLL CALL
- 2. PUBLIC COMMENT PERIOD

(Public Comment on Non-Agenda Items Pursuant to Government Code § 54954.3) Members of the public are afforded the opportunity to speak on any agenda item. All agendas for regular meetings are posted at District headquarters, 939 Ellis Street, San Francisco, CA, at least 72 hours in advance of a regular meeting. At the beginning of the regular meeting agenda, an opportunity is also provided for the public to speak on any subject within the Committee's subject matter jurisdiction. Speakers will be limited to five (5) minutes each.

- 3. APPROVAL OF MINUTES OF DECEMBER 21, 2004
- 4. CONSIDERATION OF NEW BILLS AND CORRESPONDING AGENCY POSITIONS

J. Broadbent/5052

jbroadbent@baaqmd.gov

- a) SB 44 (Kehoe)—Incorporating air quality into local government general plans
- b) SB 109 (Ortiz)—Changes to air penalty language
- c) SB 153 (Chesbro et alia)—California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2006
- d) Additional bills introduced after the agenda mail-out
- 5. UPDATE ON DISTRICT'S 2005 LEGISLATIVE AGENDA

J. Broadbent/5052

jbroadbent@baaqmd.gov

Staff will present an oral update on status of the District's 2005 Legislative Agenda.

#### 6. COMMITTEE MEMBERS' COMMENTS

Any member of the Committee, or its staff, on his or her own initiative or in response to questions posed by the public, may; ask a question for clarification, make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter or take action to direct staff to place a matter of business on a future agenda. (Gov't Code § 54954.2)

#### 7. TIME AND PLACE OF NEXT MEETING AT THE CALL OF THE CHAIR

8. ADJOURNMENT

## CONTACT CLERK OF THE BOARDS - 939 ELLIS STREET SAN FRANCISCO, CA 94109

(415) 749-4965 FAX: (415) 928-8560 BAAQMD homepage: <u>www.baaqmd.gov</u>

- To submit written comments on an agenda item in advance of the meeting.
- To request, in advance of the meeting, to be placed on the list to testify on an agenda item.
- To request special accommodations for those persons with disabilities (notification to the Clerk's
  Office should be given at least three working days prior to the date of the meeting so that
  arrangements can be made accordingly).

## AGENDA NO. 3

## BAY AREA AIR QUALITY MANAGEMENT DISTRICT 939 ELLIS STREET SAN FRANCISCO, CALIFORNIA 94109 (415) 771-6000

#### **DRAFT MINUTES**

Summary of Board of Directors Legislative Committee Meeting 9:30 a.m., Tuesday, December 21, 2004

1. Call to Order - Roll Call: Chairperson Brad Wagenknecht called the meeting to order at 9:34 a.m.

**Present:** Brad Wagenknecht, Chairperson, Chris Daly, Erin Garner, Erling Horn, Mark

Ross, John Silva.

**Absent:** Liz Kniss, Pamela Torliatt.

**Also Present:** Marland Townsend (9:43 a.m.)

- **2. Public Comment Period:** There were none.
- **3. Approval of Minutes of October 13, 2004:** Director Silva moved approval of the minutes; seconded by Director Garner; carried unanimously without objection.
- **4. Potential Legislative Proposals for 2005:** *Staff presented potential legislative measures for consideration by the Committee to form the District's legislative agenda for 2005.*

Thomas Addison, Advanced Projects Advisor, presented and discussed three primary issues for the Committee to consider.

1) A statutory change to the Transportation Fund for Clean Air (TFCA) program that would make private fleets eligible for funding.

Director Townsend arrived at 9:43 a.m.

2) The California Air Pollution Control Officer Association (CAPCOA) will sponsor additional legislation to augment existing funding for incentive-based air quality programs such as the Carl Moyer and Low Emission School Bus programs. The District should be involved in these efforts of cleaning up diesel engines.

3) The District co-sponsor, with the South Coast AQMD, a joint resolution from the California Legislature to Congress on the issue of rail emissions controls.

The Committee discussed several other potential bill topics, including illegally registered "hot rods," streamlining of the refinery permit process; high occupancy vehicles and toll roads; emissions from ships and cold ironing.

**Committee Action:** The Committee provided direction to staff for follow-up on the items discussed.

5. Discussion of Future Transportation Sales Tax Measures: Staff presented a recommendation for circumstances for which the District should adopt positions on local county transportation sales tax measures.

Jack Broadbent, Executive Officer/APCO, presented the report to the Committee. The Committee discussed and considered whether to recommend criteria for District endorsement of future local transportation sales tax measures. The consensus of the Committee was to not pursue quantitative evaluation criteria for future transportation ballot measures.

- **6. Committee Members' Comments:** There were none.
- 7. Time and Place of Next Meeting: At the Call of the Chair.
- **8. Adjournment:** The meeting was adjourned at 10:27 a.m.

Mary Romaidis Clerk of the Boards

AGENDA: 4

## BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Inter Office Memorandum

To: Chairperson Brad Wagenknecht and

Members of the Legislative Committee

From: Thomas Addison

Advanced Projects Advisor

Date: February 15, 2005

Re: <u>Consideration of New Bills and Corresponding Agency Positions</u>

## **RECOMMENDED ACTION:**

Adopt positions on recently-introduced bills.

#### **DISCUSSION**

The bill introduction deadline for 2005 is February 18<sup>th</sup>, and typically several thousand new bills appear in print for the first time immediately prior to this deadline. Staff is recommending that the Committee consider the bills of air quality significance referenced below, which were introduced before the mail-out of the Legislative Committee packet, as well as some measures introduced after that date. Staff will present verbal analyses of these late-breaking bills at the Committee meeting.

Copies of the bills referenced in the table below are attached. Additional bills will be discussed with the Committee at its first meeting subsequent to February 23<sup>rd</sup>. A list of additional bills of potential significance to the Air District will be distributed at the Committee meeting. Staff will briefly discuss some of these bills as well.

Bill	Brief Description	Staff Recommendation
SB 44 (Kehoe)	Extends statewide a San Joaquin Valley requirement that local governments incorporate air quality issues into general plans	Support
SB 109 (Ortiz)	Extends sunset for program on minor air violations, and changes current air penalty language to allow civil and criminal penalties for a single violation	Oppose unless amended
SB 153 (Chesbro et alia)	Establishes California Clean Water, Clean Air, Safe Neighborhood Park, and Coastal Protection Act bond measure	Support

#### **ANALYSIS**

**SB 44** is authored by Christine Kehoe (D-San Diego). Essentially this bill would require that local governments consider air quality issues in their general plans. Specifically, it extends statewide a program currently required in the San Joaquin Valley, which was established as a

result of AB 170 of 2004 authored by Assemblymember Sarah Reyes. The bill argues that California's air quality problems will not be solved without changes to our current development patterns and transportation systems, and that this will take the cooperation of land use, transportation, and air quality agencies, and developers and the public. Within one year of the next adoption of a local government's housing plan update, local governments would have to include goals, policies, and feasible implementation strategies in their general plan to address air quality concerns. These proposed general plan changes would be sent in draft form to the local air district for their non-binding comments. While many regulatory and legislative actions to improve air quality in California are focused on present problems, this bill attempts to address long-term air quality problems that may be exacerbated by development and other land use decisions being made in the short-term.

The District has historically called for cities to adopt air quality elements in their general plans. We have supported similar although more aggressive legislation in the past, and have incorporated this strategy into District planning documents such as Clean Air Plans. A number of Bay Area jurisdictions have already incorporated such elements into their general plans. Thus staff are recommending a support position on SB 44.

SB 109 is authored by Deborah Ortiz (D-Sacramento), and includes part of her unsuccessful bill of last year, SB 1211. This component of the bill would allow both civil and criminal penalties for a single violation of air quality laws. Currently, air districts offer egregious violations to district attorneys for potential criminal prosecution, but when the violation does not rise to the level of criminal misconduct, air districts can pursue the case civilly. Practically, the vast majority of violations are resolved through the District's mutual settlement program. Staff and Counsel are very concerned that if this bill were to become law, the District's enforcement program would be severely hamstrung. We believe that many violators would refuse to settle civil cases until they had definitive assurance from the relevant district attorney that they would not be facing additional criminal charges.

Last year, the author (with support from the California District Attorneys Association) argued that current law was preventing district attorneys from bringing criminal charges when appropriate. Unfortunately, the only instance they could point to was a case at Beverly Hills High School in southern California where the air district had initially offered the case to the Los Angeles District Attorney to take criminal action, but the offer had been declined. After the air district resolved the case, and after some press discussion of the case, the district attorney had a change of heart and declared an interest in pursuing the case criminally. Because the case had already been resolved civilly, statutorily the criminal option was then foreclosed. The facts of the case suggested to many that it was not a good illustration why the law needed to be changed. Indeed, some even suggested that it highlighted a danger if the Ortiz bill were to become law—district attorneys are to some extent political (since they are elected), and their decisions may be influenced by political or media pressures rather than a thorough understanding of air quality and sound enforcement policy. The author's staff this year have again failed to provide a single compelling case where current law caused a legitimate problem. Instead, the rationale for why the bill is needed is theoretical at best.

This year, Senator Ortiz has included a new component in the bill, which has been designed to appeal to both industry and air districts. Currently, state law requires air districts to establish programs to address truly minor non-substantive violations in an administrative fashion. This requirement is due to sunset at the start of 2006. Both air districts and industry concur that the "notice to comply" requirements are actually beneficial, and let both sides focus attention on substantive issues rather than wasting time and resources on trivial issues. SB 109 would extend this sunset until 2012. However, even in the absence of specific statutory provisions regarding notices to comply, the District could implement a similar program.

AGENDA: 4

District staff is recommending an "oppose unless amended" position on this bill. While staff support extending the "notice-to-comply" sunset, the primary portion of the bill jeopardizes our enforcement program, and thus should be dropped from the measure.

**SB 153** is being authored by Senators Chesbro, Kehoe, Kuehl, Perata, Simitian, and Torlakson. It is a \$3 billion bond measure that is being called the California Clean Water, Clean Air, Safe Neighborhood Park, and Coastal Protection Act of 2006. Because it would direct \$50 million into the Carl Moyer program to cut emissions from heavy-duty engines, staff are recommending a support position on the measure.

BUDGET CONSIDERATION/FINANCIAL IMPACT
No direct impact.
Respectfully submitted,
Thomas Addison Advanced Projects Advisor
FORWARDED:
Reviewed by: Jean Roggenkamp

SENATE BILL No. 44

## **Introduced by Senator Kehoe**

January 4, 2005

An act to amend Section 65302.1 of the Government Code, relating to general plans.

#### LEGISLATIVE COUNSEL'S DIGEST

SB 44, as introduced, Kehoe. General plans: air quality element.

Existing law requires the legislative body of each county and city to adopt a comprehensive, long—term general plan for the physical development of the county or city, and of any land outside its boundaries that bears relation to its planning. The law requires the plan to include a specified land use element that designates the proposed general distribution and general location and extent of the uses of the land for housing, business, industry, open space, and other categories of public and private uses of land. Existing law specifically requires the legislative body of each city and county within the jurisdictional boundaries of the San Joaquin Valley Air Pollution Control District to amend appropriate elements of its general plan to include specified information to improve air quality.

This bill would make legislative findings and declarations regarding air pollution problems in this state. The bill additionally would require the legislative body of each city and county, other than those in the San Joaquin Valley Air Pollution Control District, to amend the appropriate elements of its general plan to include data and analysis, comprehensive goals, policies, and feasible implementation strategies to improve air quality no later than one year from the date specified for the next revision of its housing element.

The bill would also require each city and county, at least 45 days prior to the adoption of air quality amendments to a general plan, to send a copy of the draft document to the air quality management  $SB 44 \qquad \qquad -2 -$ 

district or air pollution control district in which it is located for review and comment, as specified. By increasing the duties of local public officials, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 65302.1 of the Government Code is 2 amended to read:
- 3 65302.1. (a) The Legislature finds and declares all of the 4 following:
  - (1) The San Joaquin Valley California has a serious air pollution problem that will take the cooperation of land use and transportation planning agencies, transit operators, the development community, the San Joaquin Valley Air Pollution Control District air quality management districts, air pollution control districts, and the public to solve.

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- (2) The solution to the problem requires changes in the way we have traditionally built our communities and constructed the transportation systems. It involves a fundamental shift in priorities from emphasis on mobility for the occupants of private automobiles to a multimodal system that more efficiently uses scarce resources. It requires a change in attitude from the public to support development patterns and transportation systems different from the status quo.
- (2) In 2003 the district published a document entitled, Air Quality Guidelines for General Plans. This report is a comprehensive guidance document and resource for cities and counties to use to include air quality in their general plans. It includes goals, policies, and programs that when adopted in a general plan will reduce vehicle trips and miles traveled and improve air quality.

\_3\_ SB 44

(3) Air quality guidelines are recommended strategies that do, when it is feasible, all of the following:

- (A) Determine and mitigate project level and cumulative air quality impacts under the California Environmental Quality Act (CEQA) (Division 13 (commencing with Section 21000) of the Public Resources Code).
- (B) Integrate land use plans, transportation plans, and air quality plans.
- (C) Plan land uses in ways that support a multimodal transportation system.
- (D) Local action to support programs that reduce congestion and vehicle trips.
- (E) Plan land uses to minimize exposure to toxic air pollutant emissions from industrial and other sources.
- (F) Reduce particulate matter emissions from sources under local jurisdiction.
- (G) Support district and public utility programs to reduce emissions from energy consumption and area sources.
- (4) The benefits of including air quality concerns within local general plans include, but are not limited to, all of the following:
  - (A) Lower infrastructure costs.

- (B) Lower public service costs.
- (C) More efficient transit service.
- 24 (D) Lower costs for comprehensive planning.
  - (E) Streamlining of the permit process.
    - (F) Improved mobility for the elderly and children.
  - (b) The legislative body of each city and county within the jurisdictional boundaries of the district shall amend the appropriate elements of its general plan, which may include, but are not limited to, the required elements dealing with land use, circulation, housing, conservation, and open space, to include data and analysis, goals, policies, and objectives, and feasible implementation strategies to improve air quality.
  - (c) The adoption of air quality amendments to a general plan to comply with the requirements of subdivision (d) shall include all of the following:
  - (1) A report describing local air quality conditions including air quality monitoring data, emission inventories, lists of significant source categories, attainment status and designations,

SB 44 —4—

and applicable state and federal air quality plans and transportation plans.

- (2) A summary of local, district, state, and federal policies, programs, and regulations that may improve air quality in the city or county.
- (3) A comprehensive set of goals, policies, and objectives that may improve air quality consistent with the strategies listed in paragraph (3) of subdivision (a).
- (4) A set of feasible implementation measures designed to carry out those goals, policies, and objectives.
- (d) At least 45 days prior to the adoption of air quality amendments to a general plan pursuant to this section, each city and county shall send a copy of its draft document to the air quality management district or air pollution control district in which the city or county is located. The district may review the draft amendments to determine whether they may improve air quality consistent with the strategies listed in paragraph (3) of subdivision (a). Within 30 days of receiving the draft amendments, the district shall send any comments and advice to the city or county. The legislative body of the city or county shall consider the district's comments and advice prior to the final adoption of air quality amendments to the general plan. If the district's comments and advice are not available by the time scheduled for the final adoption of air quality amendments to the general plan, the legislative body of the city or county may act without them. The district's comments shall be advisory to the city or county.
- (e) (1) The legislative body of each city and county within the jurisdictional boundaries of the district San Joaquin Valley Air Pollution Control District shall comply with this section no later than one year from the date specified in Section 65588 for the next revision of its housing element that occurs after January 1, 2004.
- (f) As used in this section, "district" means the San Joaquin Valley Air Pollution Control District.
- (2) The legislative bodies of all other cities and counties shall comply with this section no later than one year from the date specified in Section 65588 for the next revision of its housing element that occurs after January 1, 2006.

\_5\_ SB 44

SEC. 2. The Legislature finds and declares that Sections 65104 and 66014 of the Government Code provide local agencies with authority to levy fees sufficient to pay for the program or level of service mandated by this act.

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4 level of service mandated by this act.
5 SEC. 3. No reimbursement is required by this act pursuant to
6 Section 6 of Article XIII B of the California Constitution because
7 a local agency or school district has the authority to levy service
8 charges, fees, or assessments sufficient to pay for the program or
9 level of service mandated by this act, within the meaning of
0 Section 17556 of the Government Code.

## **Introduced by Senator Ortiz**

January 20, 2005

An act to amend Section 39153 of, and to repeal Section 42400.7 of, the Health and Safety Code, relating to air pollution.

#### LEGISLATIVE COUNSEL'S DIGEST

SB 109, as introduced, Ortiz. Air pollution: minor violations: stationary sources: prosecution of violations.

(1) Existing law designates air pollution control districts and air quality management districts as having the primary responsibility for the control of air pollution from all sources other than vehicular sources, subject to the powers and duties of the State Air Resources Board. Existing law subjects any person that violates any rule, regulation, permit, or order of the state board or a district pertaining to emissions of air contaminants or toxic air contaminants to fines, imprisonment, and civil penalties. Existing law, until January 1, 2006, requires the state board and each district to adopt a regulation or a rule that classifies certain violations as minor. Existing law provides that the recovery of a civil penalty for an air quality violation precludes criminal prosecution. Existing law also provides that the filing of a criminal complaint requires the dismissal of any civil action for the same offense, but exempts from that requirement any portion of a civil action requesting injunctive relief.

This bill would extend that minor violation classification requirement until January 1, 2012. The bill would repeal the provision precluding criminal prosecution following the recovery of civil penalties for the same offense, and would repeal the requirement that a civil action be dismissed upon the filing of a criminal complaint for the same offense. To the extent that this bill would increase the

SB 109 — 2 —

number of criminal or civil cases that would be prosecuted, it would impose a state-mandated local program.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- SECTION 1. Section 39153 of the Health and Safety Code is amended to read:
- 3 39153. This chapter shall remain in effect only until January 1, 2006 2012, and as of that date is repealed, unless a later enacted statute, that is enacted on or before January 1, 2006 2012, deletes or extends that date.
- 7 SEC. 2. Section 42400.7 of the Health and Safety Code is repealed.
- 9 42400.7. (a) The recovery of civil penalties pursuant to 10 Section 39674, 42401, 42402, 42402.1, 42402.2, 42402.3, or 11 42402.4 precludes prosecution under Section 42400, 42400.1,
- 12 42400.2, 42400.3, 42400.3.5, or 42400.4 for the same offense.
- 13 When a district refers a violation to a prosecuting agency, the
- 14 filing of a criminal complaint is grounds requiring the dismissal
- of any civil action brought pursuant to this article for the same offense.
- 17 (b) If the pending civil action described in subdivision (a)
  18 includes a request for injunctive relief, that portion of the civil
  19 action shall not be dismissed upon the filing of a criminal
  20 complaint for the same offense.
- 21 SEC. 3. No reimbursement is required by this act pursuant to
- 22 Section 6 of Article XIII B of the California Constitution for
- 23 certain costs that may be incurred by a local agency or school

-3- SB 109

district because, in that regard, this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

However, if the Commission on State Mandates determines that this act contains other costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

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## Introduced by Senators Chesbro, Kehoe, Kuehl, Perata, Simitian, and Torlakson

(Coauthors: Assembly Members Berg, Bermudez, Evans, Klehs, Koretz, Leno, Nation, and Nava)

February 8, 2005

An act to add Chapter 1.698 (commencing with Section 5096.700) to Division 5 of the Public Resources Code, relating to financing a program for the acquisition, development, and preservation of park, recreational, water, coastal, agricultural land, air, cultural, and historical resources in the state, by providing the funds necessary therefor through the issuance and sale of bonds of the State of California and by providing for the handling and disposition of those funds.

#### LEGISLATIVE COUNSEL'S DIGEST

SB 153, as introduced, Chesbro. California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2006.

Under existing law, programs have been established pursuant to bond acts for, among other things, the development and enhancement of state and local parks and recreational facilities.

This bill would enact the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2006, which, if adopted, would authorize, for the purpose of financing a program for the acquisition, development, and preservation of park, recreational, water, coastal, agricultural land, air, cultural, and historical resources, as specified, the issuance, pursuant to the State General Obligation Bond Law, of bonds in the amount of \$3,000,000,000.

Vote: <sup>2</sup>/<sub>3</sub>. Appropriation: no. Fiscal committee: yes. Statemandated local program: no.

SB 153 -2-

*The people of the State of California do enact as follows:* 

SECTION 1. Chapter 1.698 (commencing with Section 5096.700) is added to Division 5 of the Public Resources Code, to read:

Chapter 1.698. The California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2006

#### Article 1. General Provisions

5096.700. This chapter shall be known, and may be cited, as the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2006.

5096.701. (a) The Legislature finds and declares all of the following:

- (1) Maintaining a high quality of life for California's growing population requires a continuing investment in parks, recreation facilities, and in the protection of the state's natural and historical resources.
- (2) Clean air, clean water, clean beaches, and healthy natural ecosystems that can support both human communities and the state's native fish and wildlife are all part of the legacy of California. Each generation has an obligation to be good stewards of these resources in order to pass them on to their children.
- (b) The Legislature hereby recognizes that public financial resources are inadequate to meet all of the funding needs of local public park and recreation providers and that there is an urgent need for safe, open, and accessible local park and recreational facilities and for increased recreational opportunities that provide positive alternatives to social problems. Accordingly, it is declared to be the policy of this state that the funds allocated pursuant to Section 5096.720 to local agencies shall be appropriated primarily for projects that accomplish all of the following:
- (1) Rehabilitate facilities at existing local parks that will provide for more efficient management and reduced operational costs.

-3- SB 153

(2) Develop facilities that promote positive alternatives for youth and that promote cooperation between local park and recreation service providers and youth-serving nonprofit organizations.

- (3) Promote family oriented recreation, including art activities.
- (4) Provide for open, safe, and accessible local parklands, facilities, and botanical gardens.
- (5) Develop and enhance nonmotorized trails to promote passive and active recreational enjoyment including wildlife and scenic viewing opportunities.
- 5096.705. As used in this chapter, the following terms have the following meanings:
- (a) "Acquisition" means obtaining the fee title or a lesser interest in real property, including specifically, a conservation easement or development rights.
- (b) "Committee" means the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2006 Finance Committee created pursuant to Section 5096.767.
- (c) "Department" means the Department of Parks and Recreation.
- (d) "Development" includes, but is not limited to, improvement, rehabilitation, restoration, enhancement, preservation, protection, and interpretation.
  - (e) "Director" means the Director of Parks and Recreation.
- (f) "District" means a regional park district, regional park and open-space district, or regional open-space district formed pursuant to Article 3 (commencing with Section 5500) of Chapter 3, a recreation and park district formed pursuant to Chapter 4 (commencing with Section 5780), or an authority formed pursuant to Division 26 (commencing with Section 35100). With respect to a community or unincorporated region that is not included within a district, and in which no city or county provides parks or recreational areas or facilities, "district" also means any other district that is authorized by statute to operate and manage parks or recreational areas or facilities, employs a full-time park and recreation director, offers year-round park and recreation services on lands and facilities owned by the district, and allocates a substantial portion of its annual operating budget to parks or recreation areas or facilities.

SB 153 —4—

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 (g) "Fund" means the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund of 2006 created pursuant to Section 5096.710.

- (h) "Local conservation corps" means a program operated by a public agency or nonprofit organization that meets the requirements of Section 14406.
- (i) "Nonprofit organization" means any nonprofit public benefit corporation formed pursuant to the Nonprofit Corporation Law (Division 2 (commencing with Section 5000) of Title 1 of the Corporations Code), qualified to do business in California, and qualified under Section 501(c)(3) of the Internal Revenue Code.
- (j) "Preservation" means identification, evaluation, recordation, documentation, interpretation, protection, rehabilitation, restoration, stabilization, development, and reconstruction, or any combination of those activities.
- (k) "Secretary" means the Secretary of the Resources Agency. 5096.706. Lands or interests in land acquired with funds allocated pursuant to this chapter shall be acquired from a willing seller.

Article 2. The California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2006

5096.710. The proceeds of bonds issued and sold pursuant to this chapter shall be deposited in the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund of 2006, which is hereby created. Except as provided in subdivision (a) of Section 5096.750, the money in the fund shall be available for appropriation by the Legislature, in the manner set forth in this chapter, for acquisition, development, and preservation projects, in accordance with the following schedule:

- (a) The sum of two hundred fifty million dollars (\$250,000,000) for acquisition and development of the state park system.
- (b) The sum of one billion one hundred million dollars (\$1,100,000,000) for local assistance programs for the acquisition and development of neighborhood, community, and regional parks and recreation areas.

\_5\_ SB 153

(c) The sum of one billion five hundred fifteen million dollars (\$1,515,000,000) for land, air, and water conservation programs, including acquisition for those purposes.

(d) The sum of one hundred thirty-five million dollars (\$135,000,000) for the acquisition and preservation of California's historical and cultural resources.

## Article 3. State Parks

 5096.715. The two hundred fifty million dollars (\$250,000,000) allocated pursuant to subdivision (a) of Section 5096.710 shall be available for appropriation by the Legislature to the department for the acquisition and development of the state park system. It is the intent of the Legislature that first priority for funding shall be for development projects to complete and expand visitor facilities and for restoration projects. Not more than 50 percent of the funds provided by this section may be used for acquisition.

## Article 4. Local Assistance Programs

5096.720. The one billion one hundred million dollars (\$1,100,000,000) allocated pursuant to subdivision (b) of Section 5096.710 shall be available for appropriation by the Legislature for local assistance programs, in accordance with the following schedule:

- (a) The sum of three hundred seventy-five million dollars (\$375,000,000) to the department for grants, in accordance with Section 5096.721, and on the basis of population, for the acquisition and development of neighborhood, community, and regional parks and recreation lands and facilities in urban and rural areas.
- (b) The sum of two hundred fifty million dollars (\$250,000,000) to the department for grants, in accordance with the Roberti-Z'berg-Harris Urban Open-Space and Recreation Program Act (Chapter 3.2 (commencing with Section 5620)). No less than fifty million dollars (\$50,000,000) of funds appropriated pursuant to this subdivision shall be available pursuant to Section .

SB 153 -6-

(c) The sum of three hundred twenty-five million dollars (\$325,000,000) to the department for grants for urban and special need park and recreation programs in accordance with the following schedule:

- (1) For the Urban Park Act of 2001 (Chapter 3 (commencing with Section 5640))......\$100,000,000
- (2) For expenditure consistent with the requirements of Section 5096.348......\$100,000,000
- (3) For the California Youth Soccer and Recreation
  Development Program created pursuant to
  Section 5004.5......\$ 75,000,000

- (d) The sum of fifty million dollars (\$50,000,000) to the department for grants, in accordance with Section \_\_\_\_\_, for the development, improvement, rehabilitation, restoration, enhancement, and interpretation of nonmotorized trails for the purpose of increasing public access to, and enjoyment of, public areas for increased recreational opportunities.
- (e) The sum of one hundred million dollars (\$100,000,000) to the department for grants to local agencies for the development and rehabilitation of senior centers.

5096.721. (a) Sixty percent of the total funds available for grants pursuant to subdivision (a) of Section 5096.720 shall be allocated to cities and to districts other than a regional park district, regional park and open-space district, or regional open-space district. Each city's and district's allocation shall be in the same ratio as the city's or district's population is to the combined total of the state's population that is included in incorporated areas and unincorporated areas within the district, except that each city or district shall be entitled to a minimum allocation of two hundred thousand dollars (\$200,000). In any instance in which the boundary of a city overlaps the boundary of such a district, the population in the area of overlapping jurisdiction shall be attributed to each jurisdiction in proportion to the extent to which each operates and manages parks and recreational areas and facilities for that population. In any

-7- SB 153

instance in which the boundary of a city overlaps the boundary of such a district, and in the area of overlap the city does not operate and manage parks and recreational areas and facilities, all grant funds shall be allocated to the district.

- (b) Each city and each district subject to subdivision (a) whose boundaries overlap shall develop a specific plan for allocating the grant funds in accordance with the formula specified in subdivision (a). If, by \_\_\_\_\_\_, the plan has not been agreed to by the city and district and submitted to the department, the director shall determine the allocation of the grant funds among the affected jurisdictions.
- (c) Forty percent of the total funds available for grants pursuant to subdivision (a) of Section 5096.720 shall be allocated to counties and regional park districts, regional park and open-space districts, or regional open-space districts formed pursuant to Article 3 (commencing with Section 5500) of Chapter 3.
- (d) Each county's allocation under subdivision (c) shall be in the same ratio as the county's population, except that each county shall be entitled to a minimum allocation of five hundred thousand dollars (\$500,000).
- (e) In a county that embraces all or part of the territory of a regional park district, regional park and open-space district, or regional open-space district, whose board of directors is not the county board of supervisors, the amount allocated to the county shall be apportioned between that district and the county in proportion to the population of the county that is included within the territory of the district and the population of the county that is outside the territory of the district.
- (f) For the purpose of making the calculations required by this section, population shall be determined by the department, in cooperation with the Department of Finance, on the basis of the most recent verifiable census data and other verifiable population data that the department may require to be furnished by the applicant city, county, or district.
- 5096.724. (a) The director shall prepare and adopt criteria and procedures for evaluating applications for grants allocated pursuant to subdivisions (a) to (e), inclusive, of Section 5096.720. Individual applications for funds shall be submitted to the department for approval as to their conformity with the

-8-

requirements of this chapter. The application shall be accompanied by certification that the project for which the grant is requested is consistent with the park and recreation element of the applicable city or county general plan or the district park and recreation plan, as the case may be, and will satisfy a high priority need.

- (b) To utilize available grant funds as effectively as possible, overlapping or adjoining jurisdictions and applicants with similar objectives are encouraged to combine projects and submit a joint application. An applicant may allocate all or a portion of its per capita share for a regional or state project.
- (c) The director shall annually forward a statement of the total amount to be appropriated in each fiscal year for projects approved for grants pursuant to this article to the Director of Finance for inclusion in the annual Budget Bill. A list of eligible jurisdictions and the amount of grant funds to be allocated to each shall also be made available by the department.
- (d) Funds appropriated pursuant to this article shall be encumbered by the recipient within three years from the date the appropriation is effective. Regardless of the date of encumbrance of the granted funds, the recipient is expected to complete all funded projects within eight years of the effective date of the appropriation.

5096.733. Any grant funds appropriated pursuant to this article that have not been expended by the grant recipient prior to July 1, 2014, shall revert to the fund and be available for appropriation by the Legislature for one or more of the local assistance programs specified in Section 5096.720 that the Legislature determines to be the highest priority statewide.

## Article 5. Land, Air, and Water Conservation

5096.750. The one billion five hundred fifteen million dollars (\$1,515,000,000) allocated pursuant to subdivision (c) of Section 5096.710 shall be available for the acquisition and development of land, air, and water resources in accordance with the following schedule:

(a) Notwithstanding Section 13340 of the Government Code, the sum of three hundred million dollars (\$300,000,000) is continuously appropriated to the Wildlife Conservation Board for

-9- SB 153

the acquisition, development, rehabilitation, restoration, and protection of habitat that promotes the recovery of threatened and endangered species, that provides corridors linking separate habitat areas to prevent habitat fragmentation, and that protects significant natural landscapes and ecosystems such as old growth redwoods and oak woodlands and other significant habitat areas; and for grants and related state administrative costs pursuant to the Wildlife Conservation Law of 1947 (Chapter 4 (commencing with Section 1300) of Division 2 of the Fish and Game Code). Funds scheduled in this subdivision may be used to prepare management plans for properties acquired in fee by the Wildlife Conservation Board.

(b) The sum of four hundred forty-five million dollars (\$445,000,000) to the conservancies in accordance with the particular provisions of the statute creating each conservancy for the acquisition, development, rehabilitation, restoration, and protection of land and water resources; and for grants and state administrative costs.

- (c) The sum of three hundred seventy-five million dollars (\$375,000,000) shall be available for grants to public agencies and nonprofit organizations for acquisition, development, restoration, and associated planning, permitting, and administrative costs for the protection and restoration of water resources in accordance with the following schedule:
- (1) The sum of seventy-five million dollars (\$75,000,000) to the secretary for the acquisition and development of river parkways and for protecting urban streams. The secretary shall make funds available in accordance with Sections 7048 and 78682.2 of the Water Code, and pursuant to any other applicable statutory authorization.
- (2) The sum of three hundred million dollars (\$300,000,000) shall be available for the purposes of clean beaches, watershed protection, and water quality projects to protect beaches, coastal waters, rivers, lakes, and streams from contaminants, pollution, and other environmental threats.
- (d) The sum of fifty million dollars (\$50,000,000) to the State Air Resources Board for grants to air districts pursuant to Chapter 9 (commencing with Section 44275) of Part 5 of Division 26 of the Health and Safety Code for projects that reduce air pollution that affects air quality in state and local park

SB 153 -10-

and recreation areas. Eligible projects shall meet the requirements of Section 16727 of the Government Code and shall be consistent with Section 43023.5 of the Health and Safety Code. Each district shall be eligible for grants of not less than two hundred thousand dollars (\$200,000). Not more than 5 percent of the funds allocated to a district may be used to cover the costs associated with implementing the grant program.

- (e) The sum of twenty million dollars (\$20,000,000) to the California Conservation Corps for the acquisition, development, restoration, and rehabilitation of land and water resources, and for grants and state administrative costs, in accordance with the following schedule:
- (1) The sum of five million dollars (\$5,000,000) shall be available for resource conservation activities.
- (2) The sum of fifteen million dollars (\$15,000,000) shall be available for grants to local conservation corps for acquisition and development of facilities to support local corps programs, and for local resource conservation activities.
- (f) The sum of seventy-five million dollars (\$75,000,000) shall be available for grants for the preservation of agricultural lands and grazing lands, including oak woodlands and grasslands.
- (g) The sum of two hundred fifty million dollars (\$250,000,000) to the Department of Forestry and Fire Protection for grants for forest land protection pursuant to the California Forest Legacy Program Act of 2000 (Division 10.5 (commencing with Section 12200)).

Article 6. Historical and Cultural Resources Preservation

5096.752. (a) The one hundred thirty-five million dollars (\$135,000,000) allocated pursuant to subdivision (d) of Section 5096.710 shall be available for appropriation by the Legislature for the acquisition and preservation of buildings, structures, sites, places, and artifacts that preserve and demonstrate culturally significant aspects of California's history and for grants for these purposes.

—11— SB 153

#### Article 7. Fiscal Provisions

5096.765. Bonds in the total amount of three billion dollars (\$3,000,000,000), not including the amount of any refunding bonds issued in accordance with Section 5096.777, or so much thereof as is necessary, may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this chapter and to be used to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bonds, when sold, shall be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of the principal of, and interest on, the bonds as the principal and interest become due and payable.

5096.766. The bonds authorized by this chapter shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), and all of the provisions of that law apply to the bonds and to this chapter and are hereby incorporated in this chapter by this reference as though set forth in full in this chapter.

5096.767. (a) Solely for the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law, of the bonds authorized by this chapter, the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2006 Finance Committee is hereby created. For purposes of this chapter, the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2006 Finance Committee is "the committee" as that term is used in the State General Obligation Bond Law. The committee consists of the Controller, the Director of Finance, and the Treasurer, or their designated representatives. The Treasurer shall serve as chairperson of the committee. A majority of the committee may act for the committee.

(b) For purposes of the State General Obligation Bond Law, the Secretary of the Resources Agency is designated the "board." 5096.768. The committee shall determine whether or not it is necessary or desirable to issue bonds authorized pursuant to this

necessary or desirable to issue bonds authorized pursuant to this chapter to carry out Section 5096.710 and, if so, the amount of

SB 153 -12-

bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and it is not necessary that all of the bonds authorized to be issued be sold at any one time.

5096.770. There shall be collected each year and in the same manner and at the same time as other state revenue is collected, in addition to the ordinary revenues of the state, a sum in an amount required to pay the principal of, and interest on, the bonds each year. It is the duty of all officers charged by law with any duty in regard to the collection of the revenue to do and perform each and every act that is necessary to collect that additional sum.

5096.771. Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund in the State Treasury, for the purposes of this chapter, an amount that will equal the total of the following:

- (a) The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this chapter, as the principal and interest become due and payable.
- (b) The sum necessary to carry out Section 5096.772, appropriated without regard to fiscal years.

5096.772. For purposes of carrying out this chapter, the Director of Finance may authorize the withdrawal from the General Fund of an amount not to exceed the amount of the unsold bonds that have been authorized by the committee to be sold for the purpose of carrying out this chapter. Any amount withdrawn shall be deposited in the fund. Any money made available under this section shall be returned to the General Fund from proceeds received from the sale of bonds for the purpose of carrying out this chapter.

5096.773. Pursuant to Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code, the cost of bond issuance shall be paid out of the bond proceeds. These costs shall be shared proportionally by each program funded through this bond act.

5096.774. Actual costs incurred in connection with administering programs authorized under the categories specified in Section 5096.710 shall be paid from the funds authorized by this act.

-13- SB 153

Investment Board to make a loan from the Pooled Money Investment Account, including other authorized forms of interim financing that include, but are not limited to, commercial paper, in accordance with Section 16312 of the Government Code, for purposes of carrying out this chapter. The amount of the request shall not exceed the amount of the unsold bonds that the committee, by resolution, has authorized to be sold for the purpose of carrying out this chapter. The secretary shall execute any documents required by the Pooled Money Investment Board to obtain and repay the loan. Any amounts loaned shall be deposited in the fund to be allocated by the board in accordance with this chapter.

5096.776. All money deposited in the fund that is derived from premium and accrued interest on bonds sold shall be reserved in the fund and shall be available for transfer to the General Fund as a credit to expenditures for bond interest.

5096.777. The bonds may be refunded in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of the Government Code, which is a part of the State General Obligation Bond Law. Approval by the voters of the state of the issuance of the bonds described in this chapter includes the approval of the issuance of any bonds to refund any bonds originally issued under this chapter or any previously issued refunding bonds.

5096.778. Notwithstanding any provision of this chapter or the State General Obligation Bond Law, if the Treasurer sells bonds pursuant to this chapter that include a bond counsel opinion to the effect that the interest on the bonds is excluded from gross income for federal tax purposes, subject to designated conditions, the Treasurer may maintain separate accounts for the investment of bond proceeds and the investment earnings on those proceeds. The Treasurer may use or direct the use of those proceeds or earnings to pay any rebate, penalty, or other payment required under federal law or to take any other action with respect to the investment and use of those bond proceeds required or desirable under federal law to maintain the tax-exempt status of those bonds and to obtain any other advantage under federal law on behalf of the funds of this state.

SB 153 —14—

5096.779. (a) The Legislature hereby finds and declares that, inasmuch as the proceeds from the sale of bonds authorized by this chapter are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution, the disbursement of these proceeds is not subject to the limitations imposed by that article.

(b) Funds provided pursuant to this chapter, and any appropriation or transfer of those funds, shall not be deemed to be a transfer of funds for the purposes of Chapter 9 (commencing with Section 2780) of Division 3 of the Fish and Game Code.

5096.781. Except for funds continuously appropriated by this chapter, all appropriations of funds pursuant to Section 5096.710 for purposes of the program shall be included in the annual Budget Bill for the 2006–07 fiscal year, and each succeeding fiscal year, for consideration by the Legislature, and shall bear the label "California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Program Fund of 2006." The annual Budget Bill section shall contain separate items for each project, each class of project, or each element of the program for which an appropriation is made.

5096.783. The secretary shall provide for an annual audit of expenditures from this chapter.

- SEC. 2. Section 1 of this act shall take effect upon adoption by the voters of the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2006, as set forth in Section 1 of this act.
- SEC. 3. (a) Notwithstanding the requirements of any other provision of law, the Secretary of State shall submit Section 1 of this act to the voters at the 2006 statewide primary election.
- (b) The Secretary of State shall ensure the placement of Section 1 of this act on the 2006 primary election, statewide ballot, in accordance with provisions of the Government Code and the Elections Code governing the submission of statewide measures to the voters.
- (c) The Secretary of State shall include, in the ballot pamphlets mailed pursuant to Section 9094 of the Elections Code, the information specified in Section 9084 of the Elections Code regarding the bond act set forth in Section 1 of this act.

# BAY AREA AIR QUALITY MANAGEMENT DISTRICT Inter Office Memorandum

То:	Chairperson Brad Wagenknecht and Members of the Legislative Committee
From:	Thomas Addison Advanced Projects Advisor
Date:	February 15, 2005
Re:	<u>Update on District's 2005 Legislative Agenda</u>
RECOMMENI	DED ACTION:
None; informat	ion item.
DISCUSSION	
Staff will prese	nt an oral update on the status of the District's legislative agenda.
BUDGET CON	ISIDERATION/FINANCIAL IMPACT
No direct impac	et.
Respectfully su	bmitted,
Thomas Addiso Advanced Proje	
FORWARDED	):
Reviewed by:	Jean Roggenkamp